

United States Senate

WASHINGTON, DC 20510

July 14, 2008

Dear Colleague:

Families and workers across America are suffering from record high gas prices and they need our help now. Two years ago the average price for a gallon of gasoline was \$2.53. Today, Americans on average are paying \$4.10 with every trip to the pump. High gas prices are impacting every segment of American life from police and fire protection to school bus schedules to family vacations. Congress must allow production of new supplies of domestic oil and gas and, to accomplish this, we intend to offer an amendment to the FY 09 Interior Appropriations bill to remove the Congressional moratorium on oil and gas production in the Outer Continental Shelf (OCS). We encourage you to be a part of this effort.

Since 1982, Congress has limited the ability of American consumers to benefit from new sources of oil and gas by annually renewing a moratorium on drilling in the waters of our Atlantic and Pacific coasts. Eighty-five percent, or 574 million acres of offshore areas in the lower 48 states, are off limits. Experts estimate these areas contain up to 18 billion barrels of oil, enough to equal our current production rates for 10 years.

Thus, the time to reverse the outdated and punitive OCS moratorium has come. Today, the President has announced reversal of the executive ban on offshore drilling. It is time for Congress to do its part. While Congress cannot change the law of supply and demand, we can change laws that artificially push the price of oil higher, to the detriment of millions of Americans.

Americans do not want partisan politics; they want Congress to turn away from policies which have allowed gas prices to rise to record levels. To that end, a group of Senators is currently engaged in bipartisan talks to address gas prices. We support and applaud these efforts. However, these and any efforts need to bear fruit soon. The American people cannot afford any further delay. That is why the Interior appropriations markup on July 24th comes at a good time. If bipartisan efforts to agree on a comprehensive plan to reduce gas prices are not successful by then, we feel obligated to move forward with individual proposals such as lifting this moratorium in a reasonable and environmentally responsible manner.

A large group of Senators are undoubtedly considering similar action. We look forward to working with them and any who share our goal of increasing oil supplies for the American people. Similarly, we look forward to working with colleagues on measures to increase conservation and address speculation concerns. We should not recess for the August break until we have enacted the relief our constituents deserve.

Sincerely,

Handwritten signature of Kay Bailey Hutchison in cursive script.Handwritten signature of L. R. Bond in cursive script.